GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:1061
ANSWERED ON:20.08.2007
LICENCE TO PRIVATE COMPANIES
Mehta Shri Bhubneshwar Prasad

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the private companies providing telecommunication services have been given licences for few years whereas these companies are giving offers of providing life-time services/schemes;

(b) if so, the details thereof and the reasons therefor;

(c) the names of the major companies getting licences and the period for which they have been provided licences;

(d) whether these companies are giving offers of life-time schemes in violation of Government rules;

(e) if so, the details thereof; and

(f) the measures taken by the Government to prevent them from doing so alongwith the action taken against these companies?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) to (f) Telecom Access services licensees have been given licences for a period of 20 years from the effective date of the respective licence agreement and extendable upto further 10 years. List of Telecom Access services licensees is given in the Annexure.

The Telecommunication Tariff Order (TTO) issued by the Telecom Regulatory Authority of India (TRAI) provides flexibility to telecom service providers to fix tariffs. Currently telecom operators are offering a number of alternative tariff plans targeted at different classes of subscribers. In the months of December, 2005 and January, 2006 most of the service providers implemented the tariff plans under the name and style of life time validity wherein in lieu of an upfront payment the subscribers are being offered life long validity subject to certain conditions. Such plans would be suitable for subscribers who would like to have longer validity without having to pay recurring fixed monthly charges.

After a consultation process, TRAI has prescribed regulatory conditions through the Telecommunication Tariff (Forty Third Amendment) Order dated 21.3.2006, which inter- alia mandated :-

(i) The operators to continue to provide service in respect of Lifetime Scheme as long as they have permission to provide such telecom service under current license or renewed license;

(ii) Hike in any item of tariff during the specified validity period is prohibited;and

(iii) The service provider shall inform the subscribers of the month and year of expiry of his current license.

TRAI has not reported any violation of Telecommunication Tariff Order dated 21.03.2006 in respect to life-time schemes by these companies.